

Message Text

UNCLASSIFIED

PAGE 01 TEGUCI 00180 01 OF 04 142116Z

64

ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 SP-02 L-02 CIAE-00 INR-07

NSAE-00 PA-02 RSC-01 USIA-15 PRS-01 EB-07 AID-05

COME-00 AGR-10 INT-05 OMB-01 TRSE-00 SIL-01 LAB-04

/094 W

----- 027291

R 142029Z JAN 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 9037

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

UNCLAS SECTION 1 OF 4 TEGUCIGALPA 0180

GUATEMALA ALSO FOR AGATT

E.O. 11652: N/A

TAGS: EAGR, HO

SUBJECT: AGRARIAN REFORM, DECREE LAW 170

REF: TEGUCIGALPA 0107

SUMMARY: THE OFFICIAL GAZETTE PUBLISHED AGRARIAN REFORM
DECREE LAW 170 ON JANUARY 8. THE LAW IS TO BECOME EFFECTIVE
ON JAN. 14. THE LAW PROVIDES FROM SIGNIFICANT CHANGES OF
AGRICULTURAL TENURE AND LAND UTILIZATION. CONDITIONS UNDER
WHICH THE GOVERNMENT WILL OR MAY EXPROPRIATE LAND ARE
BROADENED CONSIDERABLY FROM PREVIOUS HONDURAN PRACTICE.
LIMITATIONS ON THE ACREAGE WHICH CAN BE HELD BY INDIVIDUALS
OR CORPORATIONS ARE SPECIFIED BY AGRICULTURAL PRODUCT AND
PROVINCE. EXEMPTIONS TO PORTIONS OF THE LAW FOR SOME
PRODUCTS ARE PROVIDED. ADMINISTRATIVE AND LEGAL PROCEDURES
FOR EXPROPRIATION AND REDISTRIBUTION ARE OUTLINED BUT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TEGUCI 00180 01 OF 04 142116Z

WILL REQUIRE IMPLEMENTATION THROUGH SPECIFIC REGULATION

(REGLAMENTO) WHICH NORMALLY WOULD FOLLOW WITHIN 3 MONTHS TO A YEAR AFTER EXPERIENCE WAS GAINED WITH THE BASIC LAW.
END SUMMARY.

1. DECREE LAW NO. 170 CONTAINS A PREAMBLE AND SEVEN TITLES. THE PREAMBLE STATES AN OBJECTIVE OF THE LAW IS TO SUBSTITUTE FOR LARGE AND SMALL SCALE FARMING (LATIFUNDIO AND MINIFUNDIO) A LAND TENURE SYSTEM WHICH WILL ASSURE SOCIAL JUSTICE AND AUGMENT PRODUCTION AND PRODUCTIVITY. THE PREAMBLE EMPHASIZES THE NECESSITY TO INCORPORATE THE CAMPESINO IN THE PROCESS OF PRODUCTION PROVIDING TO HIM LAND, FINANCING, AND TECHNICAL ASSISTANCE WHICH WILL ASSURE HIS ECONOMIC AND SOCIAL WELFARE. THE OBJECTIVES OF THE LAW ARE TO ASSURE THESE RIGHTS OF THE CAMPESINOS, STIMULATE MODERN AGRICULTURAL BUSINESS, AND ASSURE FOR HONDURAS AN INCREASING VOLUME OF AGRICULTURAL AND LIVESTOCK PRODUCTION.

2. UNDER TITLE 1 THE OBJECTIVES, MEANS AND FUNDAMENTAL PRINCIPLES OF THE AGRARIAN REFORM ARE STATED. UNDER ARTICLE 3 THE GOVERNMENT UNDERTAKES: TO PROVIDE LAND USE TO CAMPESINOS, ORGANIZE OR STIMULATE THE ORGANIZATION OF CAMPESINOS INTO ASSOCIATIONS (COOPERATIVES) OR OTHER BUSINESS FORMS THAT WILL PERMIT THE ADOPTION OF SUITABLE TECHNOLOGY, THE INCREASE OF PRODUCTION AND PRODUCTIVITY, AND THE INCREASE OF EMPLOYMENT AND AGRICULTURAL INCOME. ARTICLE 4 STATES THAT THE LAW PREFERENTIALLY WILL PROMOTE COMBINATION IN ONE PERSON THE QUALITIES OF OWNER, BUSINESSMAN AND WORKER. ARTICLE 6 STATES THAT THE LAW APPLIES TO ALL LANDS: (A) EXPROPRIATED UNDER THE LAW, (B) NATIONAL AND COMMUNITY RURAL LAND, (C) ALL RURAL LANDS HELD BY CORPORATE ENTITIES, (D) LANDS UNDER TITLE OF THE NATIONAL AGRARIAN INSTITUTE OR THE STATE AND, (E) ALL AGRICULTURAL OR CATTLE LAND NOT PRESENTLY UTILIZED THAT CAN BE SO UTILIZED BY DIRECT ACTION OF THE STATE. FORESTRY LANDS ARE EXCLUDED UNDER ARTICLES 8 AND 9 AS ALREADY UNDER STATE CONTROL OF DECREE 103.

3. TITLE 2, CHAPTER 1 COVERS THE TRANSFER OF LANDS PRESENTLY HELD BY THE GOVERNMENT TO THE NATIONAL AGRARIAN INSTITUTE (INA). CHAPTER 2 DEFINES AFFECTED PRIVATE LAND WHICH INCLUDES LAND DISTRIBUTED UNDER DECREE 8 OF DEC. 26, 1972, AND LAND
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TEGUCI 00180 01 OF 04 142116Z

NOT FULFILLING ITS SOCIAL FUNCTION AS DEFINED BY ARTICLE 97 OF THE CONSTITUTION.

4. ARTICLE 24, TITLE 2, STATES THAT RURAL PROPERTY IS NOT UTILIZED IN HARMONY WITH ITS SOCIAL FUNCTION IN FOUR CASES: (A) WHEN THE PROPERTY IS LARGER THAN THE HOLDINGS PERMITTED BY THIS LAW; (B) WHEN THE LAND IS NOT UTILIZED OR EFFICIENTLY EXPLOITED; (C) WHEN THE LAND IS INDIRECTLY EXPLOITED (ABSENTEE

OWNERSHIP); AND (D) WHEN THE FRAGMENTATION (MINIFUNDIO) OF LAND HOLDINGS HAS CREATED PARCELS BADLY USED OR WITH A LOW RETURN TO THE FACTORS OF PRODUCTION.

5. ARTICLE 25 SETS LIMITS BY TYPE OF LAND AND GEOGRAPHIC PROVINCE ON HOLDINGS BY AN INDIVIDUAL OR CORPORATION. THE PERMITTED HOLDINGS RANGE FROM 100 HECTARES (1 HECTARE EQUALS 2.4 ACRES) IN STATE IRRIGATION DISTRICTS UP TO A MAXIMUM OF 2000 HECTARES IN THE DEPARTMENT OF GRACIAS A DIOS; A LIMIT OF 250 HECTARES IN THE LOWER SULA VALLEY, THE CUYAMEL VALLEY, AND THE NORTH COAST LINE ARE ESTABLISHED. IN THE AGUAN VALLEY 300 HECTARES IS THE UPPER LIMIT. ARTICLE 25 STATES THAT THE HOLDINGS WHICH EXCEED THE INDICATED AREA WILL BE EXPROPRIATED. A NATURAL OR JURIDICAL PERSON WHO IS A GRORIETOR OF TWO OR MORE HOLDINGS CANNOT HOLD IN TOTAL AN AREA SUPERIOR TO THE EQUIVALENTS ESTABLISHED. CLARIFICATIONS OF THE GENERAL REGIONS AND LIMITS OUTLINED IN THE ARTICLE WILL BE MADE IN REGUALTIONS TO BE ISSUED.

6. ARTICLE 26 PROHIBITS THE TRANSFER OF LANDS THAT EXCEED THE LIMITS ESTABLISHED IN ARTICLE 25 WITHOUT PRIOR APPROVAL OF INA. INA WILL GIVE APPROVAL IN SUCH CASES THAT TRANSFERS OPERATE IN FAVOR OF INA OR THE BENEFICIARIES OF THE AGRARIAN REFORM AND THE OBJECTIVES OF THE LAW.

7. ARTICLE 27 STATES THAT WITHIN TWO YEARS ALL RURAL LANDS

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 TEGUCI 00180 02 OF 04 142137Z

64

ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 SP-02 L-02 CIAE-00 INR-07

NSAE-00 PA-02 RSC-01 USIA-15 PRS-01 EB-07 AID-05

COME-00 AGR-10 INT-05 OMB-01 TRSE-00 SIL-01 LAB-04

/094 W

----- 027480

R 142029Z JAN 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 9038

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA
AMEMBASSY PANAMA
AMEMBASSY SAN JOSE
AMEMBASSY SAN SALVADOR

UNCLAS SECTION 2 OF 4 TEGUCIGALPA 0180

GUATEMALA ALSO FOR AGATT

HELD BY TWO OR MORE JOINT OWNERS WILL BE EXPROPRIATED IF DIVISION HAS NOT BEEN MADE. FOR THE FUTURE RURAL PROPERTY CANNOT BE HELD IN COMMON AND SHOULD MULTIPLE HEIRS RECEIVE LAND IT WILL BE EXPROPRIATED IF NOT HELD BY A SINGLE OWNER AT THE END OF ONE YEAR. THIS PROVISION DOES NOT APPLY TO LAND HELD BY LOCAL COMMUNITIES OR MUNICIPALITIES. PERSONS JOINTLY HOLDING LAND OF AN EXTENT LESS THAN PROVIDED FOR IN ARTICLE 25 MUST CONVERT THEIR OWNERSHIP INTO A SINGLE CORPORATION WITHIN ONE YEAR OR THEIR HOLDINGS WILL BE EXPROPRIATED.

8. ARTICLE 28 STATES THAT ALL HOLDINGS OF LESS THAN THE AREAS ESTABLISHED IN ARTICLE 25 WHICH ARE NOT CULTIVATED OR UTILIZED WILL BE EXPROPRIATED IMMEDIATELY. IF THIS LAND IS LESS THAN 50 HECTARES THE PROPRIETOR CAN RETAIN THIS AMOUNT; HOLDINGS ABOVE THAT AMOUNT WILL BE EXPROPRIATED. IF THE HOLDING IS PRODUCTIVE IN 50 HECTARES OR MORE, THE HOLDER
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TEGUCI 00180 02 OF 04 142137Z

CAN RETAIN UP TO TWICE THE AMOUNT WHICH IS EFFICIENTLY WORKED BUT CANNOT EXCEED THE LIMIT ESTABLISHED IN ARTICLE 25.

9. ARTICLES 30 THROUGH 36 DEAL WITH DEFINITIONS OF "EFFICIENTLY WORKED," AND DEFINE HOLDINGS WHICH ARE TOO SMALL (LESS THAN 5 HECTARES) FOR EFFICIENT PRODUCTION AND THEREFORE SUBJECT TO EXPROPRIATION.

10. CHAPTER 3, TITLE 2, ARTICLES 37 TO 40, COVER HOLDINGS NOT TO BE EXPROPRIATED UNDER THE LAW.

11. ARTICLE 37 PROVIDES THAT RURAL LANDS FOR TEACHING AGRICULTURAL EXPERIMENTATION INCLUDING LIVESTOCK AND FORESTRY ARE EXCLUDABLE IF THEY ARE OPERATED FOR NONPROFIT AND IN ACCORDANCE WITH PLANS AND PROGRAMS PREVIOUSLY APPROVED BY COMPETENT AUTHORITIES.

12. ARTICLE 38 PROVIDES THAT LANDS PRESENTLY UNDER CULTIVATION IN BANANAS, PLATANOS, SUGARCANE, AFRICAN PALM, COFFEE, PINEAPPLE, CITRUS, AND TOBACCO WILL NOT BE EXPROPRIATED WHILE THEY ARE UTILIZED EFFICIENTLY UNDER THE CRITERIA OF THE LAW.

13. ARTICLE 39 PROVIDES FOR CONDITIONS AND PROCEDURES BY WHICH LAND HOLDINGS MAY EXCEED THE AREA INDICATED IN ARTICLE 25. IN NO CASE MAY PROPERTIES BE OF GREATER EXTENSION THAN THE MINIMUM REQUIRED TO REACH THE BREAK-EVEN POINT OF EQUILIBRIUM OF THE COMPANY'S EXPLOITATION UNDER EFFICIENT CONDITIONS OF PRODUCTION. TO OBTAIN EXEMPTION A REQUEST MUST BE SUBMITTED TO THE GOVERNMENT SHOWING THE PROJECT STUDY, FINANCING, AND OTHER DOCUMENTATION, AND PROVIDES THAT APPROVAL WILL BE GRANTED ONLY WHEN THE VALUE OF THE PROJECT EXCEEDS 750,000 LEMPIRAS (\$375,000) AND WHEN THE CORPORATION IS 51 PERCENT HONDURAN OWNED AND WHEN THE PRODUCTS TO BE PRODUCED ARE CONSIDERED TO BE OF NATIONAL PRIORITY. ADDITIONAL REQUIREMENTS ARE PLACED ON THIS CATEGORY OF HOLDERS. REGULATIONS CONCERNING THIS ARTICLE ARE TO BE PREPARED.

14. CHAPTER 4, ARTICLES 41 THROUGH 47 LIST THE DIRECT EXPLOITATION, EFFICIENT PRODUCTION, TAX, WAGE, AND COMPLIANCE OBLIGATIONS OF THE OWNERS OF RURAL PROPERTIES. VIOLATIONS UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TEGUCI 00180 02 OF 04 142137Z

WILL RESULT IN EXPROPRIATION OR FINES. HOLDINGS NOT DIRECTLY EXPLOITED WITHIN SIX MONTHS WILL BE SUBJECT TO EXPROPRIATION.

15. ARTICLE 43 STATES THE OBLIGATIONS AND LIMITATIONS OF AGRICULTURAL CORPORATIONS:

(A) THEY MAY NOT POSSESS HOLDINGS WHICH EXCEED THE LIMITS ESTABLISHED IN ARTICLE 25 EXCEPT AS MAY BE PERMITTED UNDER ARTICLE 39.

(B) PRIVATE LAND OWNERS MAY NOT BECOME SHAREHOLDERS IN AGRICULTURAL CORPORATIONS WHEN THEIR TOTAL LAND HOLDING (PRIVATE PLUS THEIR SHARE OF "CORPORATE" LAND) EXCEEDS THE LIMITS ESTABLISHED IN ARTICLE 25.

(C) AGRICULTURAL CORPORATIONS MUST MAINTAIN A LIST OF SHAREHOLDERS WHICH CONTAINS THE NUMBER AND NOMINAL VALUE OF THE SHARES. A CERTIFIED COPY OF THAT LIST AND ANY MODIFICATIONS MUST BE PRESENTED TO THE NATIONAL AGRARIAN INSTITUTE WITHIN 15 DAYS AFTER THE AGRARIAN REFORM LAW BECOMES EFFECTIVE, OR OF THE INCORPORATION OF SUCH A CORPORATION, OR OF MODIFICATIONS OF THE SHAREHOLDER LISTING.

(D) CORPORATIONS (COSIEDADES ANONIMAS) AND SILENT PARTNERSHIPS (COMANDITAS) MAY ONLY ISSUE NOMINAL STOCK (ACCIONES NOMINATIVAS).

(E) CORPORATIONS MUST MAINTAIN AND CONSERVE THE SOIL, WATER, AND OTHER RENEWABLE NATURAL RESOURCES.

(F) CONSCIENTIOUSLY FULFILL LEGAL REQUIREMENTS REGARDING THE HOUSING, EDUCATION, AND TRANSPORTATION OF THE WORKERS AS WELL AS HYGIENIC WORKING STANDARDS.

16. TITLE 3, CHAPTER 1, OUTLINES EXPROPRIATION PROCEDURES AND NAMES THE INA AS THE EXECUTOR OF THE LAW. THE TITLE LISTS ADMINISTRATIVE PROCEDURES FOR REGISTRATION OF OWNERSHIP AND EXPROPRIATION.

17. CHAPTER 2 BRIEFLY COVERS THE VALUATION OF LAND EXPROPRIATED OR ACQUIRED UNDER THE LAW.
UNCLASSIFIED

UNCLASSIFIED

PAGE 04 TEGUCI 00180 02 OF 04 142137Z

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 TEGUCI 00180 03 OF 04 142147Z

64
ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 SP-02 L-02 CIAE-00 INR-07

NSAE-00 PA-02 RSC-01 USIA-15 PRS-01 EB-07 AID-05

COME-00 AGR-10 INT-05 OMB-01 TRSE-00 SIL-01 LAB-04

/094 W
----- 027602

R 142029Z JAN 75
FM AMEMBASSY TEGUCIGALPA
TO SECSTATE WASHDC 9039
INFO AMEMBASSY GUATEMALA
AMEMBASSY MANAGUA
AMEMBASSY PANAMA
AMEMBASSY SAN JOSE
AMEMBASSY SAN SALVADOR

UNCLAS SECTION 3 OF 4 TEGUCIGALPA 0180

GUATEMALA ALSO FOR AGATT

18. CHAPTER 3 COVERS INDEMNIFICATION, THE FORM OF PAYMENT AND GOVERNMENT BONDS OF AGRICULTURAL DEBT. THREE CLASSES OF BONDS ARE CREATED RANGING FROM CLASS A BONDS WHICH CARRY SIX PERCENT ANNUAL INTEREST PAYABLE IN EQUAL ANNUAL INSTALLMENTS FOR A PERIOD OF 15 YEARS. CLASS B BONDS CARRY FOUR PERCENT INTEREST FOR A 20-YEAR TERM AND CLASS C BONDS A TWO PERCENT INTEREST AND A 25-YEAR TERM. THE BONDS WILL BE NOMINATIVE AND TRANSFERABLE AND FULLY GUARANTEED BY THE STATE. THE EMISSION OF BONDS IN QUANTITIES SUFFICIENT TO THE PURPOSE OF THE LAW WILL BE CONTROLLED BY THE MINISTRY OF FINANCE. PAYMENT ON BONDS WILL BE A GENERAL BUDGET ITEM EACH YEAR. THE CENTRAL BANK WILL ACT AS FINANCIAL AGENT.

19. CHAPTER 3, ARTICLE 71 STATES THAT LAND IMPROVEMENTS EXPROPRIATED WILL BE PAID TEN PERCENT OF THEIR VALUE IN CASH NOT TO EXCEED L.20,000 AND THE BALANCE IN CLASS A BONDS. FOR LANDS UNDER PRODUCTION WHICH ARE EXPROPRIATED TEN PERCENT

UNCLASSIFIED

PAGE 02 TEGUCI 00180 03 OF 04 142147Z

OF THE VALUE IS TO BE PAID IN CASH BUT THIS PAYMENT CANNOT EXCEED L.10,000. THE BALANCE IS TO BE PAID IN CLASS B BONDS. FOR LANDS NOT UNDER PRODUCTION, PAYMENT WILL BE MADE IN CLASS C BONDS. USE OF THE BONDS FOR CAPITALIZATION OF BUSINESSES AND INVESTMENT IN THE NATIONAL INVESTMENT CORPORATION, THE NATIONAL DEVELOPMENT BANK OR THE STATE FORESTRY CORPORATION ARE COVERED.

20. ARTICLE 74 STATES THAT THE PAYMENT OF AMORTIZATION AND INTEREST OF AGRARIAN BONDS CAN BE MADE FOR EACH HOLDER TO A MAXIMUM OF L.20,000 IN CASH. ANY EXCESSES DUE WILL BE PAID IN SHARES OF THE ABOVE MENTIONED CORPORATIONS OR IF THESE ARE NOT AVAILABLE, IN CASH.

21. ARTICLE 77 STATES THAT AGRARIAN DEBT BONDS WILL BE EMITTED IN THE NAME OF THE PERSON OR CORPORATION WHICH WAS EXPROPRIATED EXCEPT AS PROVIDED FOR IN THE LAW. (COMPLEX ALTERNATIVES FOR USE OF AGRARIAN BONDS ARE SPELLED OUT IN ARTICLES 72 AND 73.)

22. TITLE 4 TREATS OF THE BENEFICIARIES OF THE AGRARIAN REFORM AND THE MANNER OF ADJUDICATION OF LAND. IN ORDER TO RECEIVE LAND THE CAMPESINOS MUST BE HONDURAN BY BIRTH, A MALE OLDER THAN 16 YEARS IF SINGLE AND OF ANY AGE IF MARRIED, OR A SINGLE WOMAN OR WIDOW IF SHE HAS A FAMILY IN HER CHARGE. THE PERSON MUST HAVE AS A HABITUAL OCCUPATION AGRICULTURAL WORK AND MUST NOT BE AN OWNER OF LAND UNLESS THE QUANTITY IS INFERIOR TO FIVE HECTARS.

23. PRECEDENCE IN TREATING OF BENEFICIARIES IS OUTLINED IN

ARTICLE 81.

24. ARTICLE 82 LISTS THE OBLIGATIONS OF THOSE WHO RECEIVE LAND. THE INDIVIDUAL MUST PERSONALLY CULTIVATE THE LAND AND EXPLOIT IT ALL YEARS WITHOUT INTERRUPTION AND IN AN EFFICIENT MANNER. HE MUST MEET THE DISPOSITIONS OF THE REGULATIONS TO FOLLOW THIS LAW THAT WILL COVER THE SALE, TAXES, AND TRANSFERENCE OF THE PARCEL OR THE RIGHTS OVER THE PARCEL. HE MUST CONTRIBUTE PERSONALLY AND ECONOMICALLY TO THE LABORS AND SERVICES OF THE COMMON INTEREST. HE MUST PAY ON THE DEBTS DUE FOR AMORTIZATION OF THE VALUE OF THE PARCEL OR OF UNCLASSIFIED

UNCLASSIFIED

PAGE 03 TEGUCI 00180 03 OF 04 142147Z

THE UNIT ADJUDICATED AND COMPLY WITH THE OBLIGATIONS CONTRACTED WITH THE INSTITUTIONS OF TECHNICAL ASSISTANCE AND CREDIT. HE MUST BELONG TO A COOPERATIVE OR ASSOCIATION, IN ACCORDANCE WITH THE PLANS AND PROGRAMS ESTABLISHED BY INA. HE MUST FOLLOW THE DIRECTIVES OF TECHNICAL OR ADMINISTRATIVE CHARACTERISTIC THAT ARE GIVEN OUT BY THE INA. HE MUST COMPLY WITH THE LEGAL NORMS CONCERNING THE CONSERVATION OF NATURAL RESOURCES.

25. ARTICLE 83 STATES THE FAILURE TO COMPLY WITH ANY OF THE ABOVE OBLIGATIONS WILL BE CAUSE SUFFICIENT FOR INA TO DECLARE WITHOUT VALUE AND EFFECT THE ADJUDICATION PREVIOUSLY MADE. IF THE INA ORDERS THE DISOCCUPATION OF THE LAND THE ADJUDICATOR WILL HAVE THE RIGHT TO RECEIVE RETURN OF THE PAYMENTS MADE AND THE IMPROVEMENTS WHICH HE MAY HAVE MADE LESS THE AMOUNTS OF DEBTS OWED. UPON THE DEATH OF THE ADJUDICATED OR HIS COMPLETE INCAPACITATION, THE WIFE OR THE COMMON LAW WIFE OR ONE OF THE CHILDREN THAT HAS THE REQUISITES ESTABLISHED IN ARTICLE 79 WILL HAVE PREFERRED RIGHT TO THE LAND. UNDER NO CONDITIONS CAN A PARCEL GIVEN UNDER THIS LAW BE DIVIDED.

26. ARTICLE 85 STATES THAT COMPESINOS CAN OCCUPY LAND BELONGING TO GOVERNMENT OR TO PRIVATE PERSONS ONLY UNDER THE TERMS AND CONDITIONS PRESCRIBED BY THIS LAW.

27. CHAPTER 2 DEALS WITH THE FORM OF ADJUDICATION AND ASSIGNS THIS ADMINISTRATIVE RESPONSIBILITY TO INA. LANDS MAY BE ASSIGNED TO FAMILY AGRICULTURAL UNITS, TO CAMPESINO COOPRATIVES, OR TO ASSOCIATIONS OF CAMPESINOS.

28. TITLE 4 DEALS WITH THE ASSIGNMENT IN PREFERENTIAL FORM OF TECHNICAL AND FINANCIAL ASSISTANCE TO THE BENEFICIARIES OF THE AGRARIAN REFORM.

29. TITLE 6 DEALS WITH THE LOCATION, ATTRIBUTIONS AND ORGANIZATION OF INA.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 TEGUCI 00180 04 OF 04 142156Z

64

ACTION ARA-10

INFO OCT-01 ISO-00 SS-15 NSC-05 SP-02 L-02 CIAE-00 INR-07

NSAE-00 PA-02 RSC-01 USIA-15 PRS-01 EB-07 AID-05

COME-00 AGR-10 INT-05 OMB-01 TRSE-00 SIL-01 LAB-04

/094 W

----- 027712

R 142029Z JAN 75

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC 9040

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY PANAMA

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

UNCLAS SECTION 4 OF 4 TEGUCIGALPA 0180

GUATEMALA ALSO FOR AGATT

30. CHAPTER 5 OF TITLE 6 CONCERNS THE FINANCIAL CONTROL OF INA. CHAPTER 5 PROVIDES RECOURSE TO DEFINITIVE RESOLUTIONS OF THE DIRECTOR OF INA TO APPEAL BEFORE THE NATIONAL AGRARIAN COUNCIL UNDER THE ADMINISTRATIVE PROCEDURES CODE. AGAINST THE RESOLUTIONS THAT THE NATIONAL COUNCIL MAY TAKE, THE ONLY REMAINING COURSE IS THAT OF A PRESENTATION TO THE SUPREME COURT. THIS ARTICLE STATES THAT THE SUPREME COURT WILL EXAMINE AND RESOLVE SUCH CASES WITH PREFERENCE OVER ANY OTHER CASE BEFORE IT.

31. UNDER TITLE 6 IN CHAPTER 6 THE NATIONAL AGRARIAN CATASTRO (CENSUS OR LIST OF REAL PROPERTY OF THE COUNTRY OR STATE) IS GIVEN THE RESPONSIBILITY TO INVENTORY ALL RURAL LAND. IT WILL EXAMINE TITLES AND MAPS OF RURAL PROPERTY UNDER ALL LEGAL FORMS AND VERIFY THE EXTENT AND BOUNDARIES OF ALL RURAL LAND. IF THE VERIFICATION OF A CLAIM SHOULD SHOW THAT THE CLAIM UNDERSTATED THE EXTENT OF THE LAND, THE BALANCE WILL BE TAKEN

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TEGUCI 00180 04 OF 04 142156Z

BY INA (RECUPERARA EL EXCEDENTE). THE LAND OWNER IS RESPONSIBLE FOR THE NECESSARY SURVEY WHICH IF NOT DONE BY THE LAND OWNER WILL BE DONE BY INA AT THE LAND OWNER'S COST. INA WILL NOTIFY LAND OWNERS WHEN THEY SHOULD PRESENT THEMSELVES AND DOCUMENTS, AND LEVY FINES UPON NONCOMPLIANCE.

32. ARTICLE 158 STATES THAT THE NATIONAL REGISTRY WILL INCLUDE DOCUMENTS OF EXPROPRIATION, RECORD THE LAND HOLDINGS OF COOPERATIVES AND ASSOCIATIONS IN URBAN CENTERS, DOCUMENTATION ON LAND HOLDERS RECEIVING PARCELS UNDER THE LAW, ALL AGREEMENTS CONCERNING THE USE OF NATIONAL AND MUNICIPALLY HELD RURAL PROPERTY, ALL TITLES OF PROPERTY, DOCUMENTS CONCERNING SALE OR TRANSFER OF URBAN PROPERTY, THE TAX PAYMENT NOTATIONS ON URBAN PROPERTY, THE ASSIGNMENTS AND REVOCATION OF ASSIGNMENTS OF RURAL LANDS EMITTED BY THE INA AND ALL OTHER DOCUMENTS THAT CONCERN THIS LAW OR ITS REGULATIONS. CHANGES IN THE LAND REGISTRY CAN ONLY BE MADE BY JUDICIAL PROCESS IF THERE HAS BEEN A MATERIAL ERROR OR A CONCEPTUAL ERROR AND UPON PETITION OF THE INTERESTED PARTY.

33. ARTICLES 163 THROUGH 166 ESTABLISH A STAFF OF "PROCURADORES AGRARIOS" TO PROVIDE ASSISTANCE TO PERSONS SEEKING LAND OR OTHER BENEFITS UNDER INA AND TO ASSIST SUCH PERSONS IN THEIR COMPLAINTS AGAINST EMPLOYEES OF INA FOR VIOLATION OF THE LAW.

34. TITLE 7 PROVIDES FOR FINAL DISPOSITIONS RELATIVE TO THE AGRARIAN REFORM. PROBLEMS OF INTERPRETATION ARE TO BE TREATED UNDER CERTAIN ARTICLES OF THE CIVIL CODE. APPLICATIONS AND OTHER DOCUMENTS RELATIVE TO THE LAW ARE EXEMPTED FROM STAMP TAXES. THE ACTS, CONTRACTS, EXPROPRIATIONS, AND OBLIGATIONS DERIVED FROM THE LAW WILL BE EXEMPT FROM PAYMENT OF ANY CLASS OF TAX.

35. ARTICLE 170 STATES THAT PERSONS WHO INSTIGATE, FOMENT, PROMOTE, OR EXECUTE ACTS OF LAND INVASION OF RURAL PROPERTY BE IT PUBLIC OR PRIVATE OR WHO EXECUTE OTHER DISRUPTIVE ACTS WILL BE EXCLUDED FROM THE BENEFIT OF ADJUDICATED LAND UNDER THE AGRARIAN REFORM IN ADDITION TO THE NORMAL SANCTIONS OF LAW. THE LAND OWNERS THAT INSTIGATE, PROMOTE OR EXECUTE ACTS OF DISTURBANCE AGAINST LANDS THAT HAVE BEEN GIVEN TO

UNCLASSIFIED

PAGE 03 TEGUCI 00180 04 OF 04 142156Z

CAMPESINOS UNDER THE PROVISIONS OF THIS LAW WILL BE FINED UP TO 25,000 LEMPIRAS, AND BE SUBJECT TO PENAL SANCTIONS. THE

SAME SANCTIONS WILL BE APPLICABLE TO PROPERTY OWNERS WHO
FALSIFY OR VIOLATE THE LAW.

36. ARTICLE 173 PROVIDES THAT ALL PUBLIC AND PRIVATE WATER
COMES UNDER THE AGRARIAN REFORM LAW. EXCLUSION IS PROVIDED
FOR WATERS NECESSARY FOR THE SUPPLY OF COMMUNITY AND OTHER
PUBLIC SERVICES, PRIVATE IRRIGATION SYSTEMS, INDUSTRIAL USES
OF WATER AND SUCH OTHER USES WHICH MAY BE CONSIDERED
NECESSARY BY INA.

37. ARTICLE 174 PROVIDES THAT INA MAY MODIFY OR CANCEL THE
RIGHT TO USE WATER AFFECTED BY THE AGRARIAN REFORM WHEN THIS
IS NECESSARY FOR DOMESTIC OR PUBLIC SERVICES, WHEN IT IS
NECESSARY FOR THE AGRARIAN REFORM, WHEN IT IS NECESSARY FOR
A COLLECTIVE'S USE, AND WHEN THERE IS A REDUCTION IN THE
AVAILABILITY OF WATER SUPPLY.

38. ARTICLE 175 PROVIDES FOR THE REVIEW AND RE-TAKING BY
INA OF SOME LANDS DESTRIUTED UNDER THE AGRARIAN REFORM LAW
OF 1962.

39. ARTICLE 177 STATES THAT ALL ORGANISMS OF THE GOVERNMENT
WILL PROVIDE FULL SUPPORT TO THE EXECUTION OF THE AGRARIAN
REFORM. LIKEWISE, THE ARMED FORCES HAVE THE OBLIGATION TO
PROVIDE TO INA IMMEDIATE COOPERATION IN OBTAINING COMPLIANCE
TO ITS DECISIONS.

40. ARTICLE 178 PROVIDES THAT AGRICULTURAL, LIVESTOCK, AND
AGRO/INDUSTRIAL COMPANIES NOT INCLUDED UNDER ARTICLE 38 WHICH
ARE EFFICIENTLY EXPLOITING RURAL LANDS THAT EXCEED THE LIMIT
SET IN ARTICLE 25 ARE GIVEN THREE YEARS TO BRING THEIR OPER-
ATIONS INTO CONFORMANCE WITH THE LAW.

41. ANALYSIS FOLLOWS. COPIES OF LA GACETA DATED JAN 8 BEING
POUCHED.
SANCHEZ

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, REPORTS, AGRICULTURAL LAW, LAND REFORMS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JAN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TEGUCI00180
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750014-0663
From: TEGUCIGALPA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750152/aaaabtqx.tel
Line Count: 583
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 11
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 TEGUCIGALPA 0107
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 15 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 APR 2003 by McShalBA>; APPROVED <17 FEB 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: AGRARIAN REFORM, DECREE LAW 170
TAGS: EAGR, HO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006